

Alaska Housing Finance Corporation
State of Alaska
Single Audit – Compliance Supplement

Program #	Program Name	Last Revised
1	Senior Citizens Housing Development Program	5/02
2	State Energy Conservation Program	Deleted 5/97
3	Supplemental Housing Development Grants Program	5/97
4	Weatherization Assistance for Low Income Persons	5/02
5	Grants Match Program	5/00
6	Home Program – Rental Development	5/02
7	Homeless Assistance Program	5/00
8	Drug Elimination Program	5/02
9	Resident Opportunity Self Sufficiency (ROSS) Program	5/02
10	Housing Opportunities for Persons With AIDS (HOPWA) Program	5/02
11	Shelter+Care Program	5/02

Senior Citizens Housing Development Program Alaska Housing Finance Corporation – Program 1

I. PROGRAM OBJECTIVES

This program awards grants for the acquisition, rehabilitation or development of housing for senior citizens. Awards can be made for both the planning and the actual development of the housing.

II. PROGRAM PROCEDURES

Under the program, grants are made to municipalities or to public or private 501(c)(3) or (4) nonprofit corporations.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Grants made under this program are for the acquisition, rehabilitation or development of housing for seniors. Development includes:

- Purchase of suitable building sites;
- Necessary site preparation;
- Preparation of plans and specifications;
- Financing the purchase of materials and actual construction;
- Financing the rehabilitation, improvement, or conversion of existing structures. 15 AAC 154.100 - 154.110

Suggested Audit Procedures

- Test financial and related records to determine the purposes for which the funds were expended.

Compliance Requirement

All interest earned on grant money must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project. 15 AAC 154.040 (6)

Suggested Audit Procedures

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date; and
- Verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY

The auditor is not expected to verify eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

Although not specifically required by statute or regulation, grant recipients typically include other sources of funds when applying for the grants. The grant agreement budgets will typically include the amounts and sources of other funds.

Suggested Audit Procedures

- Review the grant agreement to identify any other sources of funds to be committed to the project;
- Review financial and project records to determine the source of funds; and
- Verify the amount of other funds applied to the project are in accordance with the budgets.

D. REPORTING REQUIREMENTS

Compliance Requirement

The grant agreements are to include a provision for regular, periodic reporting on grant sponsored activities. 15 AAC 154.040

Suggested Audit Procedures

- Review the grant agreement and determine the reporting requirements;
- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The grant recipient must establish a repair and replacement fund. 15 AAC 154.110

Suggested Audit Procedure

- Review grant agreements and deed restrictions to verify **that where the grant recipient owns the senior housing**, a repair and replacement fund has been required.
- Examine compliance practices verifying a repair and replacement **fund** has been established, **if required**.

Modified 5/02

Supplemental Housing Development Grants Program Alaska Housing Finance Corporation – Program 3

I. PROGRAM OBJECTIVES

This program is designed to provide state funds to meet the matching requirements under residential housing projects funded by the U.S. Department of Housing and Urban Development. Grant monies are to be used for sewer and water, road construction, electrical distribution to the housing site and/or energy efficient design features in homes.

II. PROGRAM PROCEDURES

Grant funds under the program are only made available to Regional Housing Authorities organized pursuant to AS 18.55.995 - 997. A grant agreement is executed upon demonstration by the housing authority that its project has been approved by the U.S. Department of Housing and Urban Development.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Funds are only to be used for the cost of on-site sewer and water facilities, road construction to project sites, extension of electrical distribution facilities to individual residences, and energy efficient design features in homes. AS 18.55.998(a) and 15 AAC 154.300-154.320

Suggested Audit Procedure

- Test financial and related records and determine the purposes for which the funds were expended.

Compliance Requirement

No part of the grant may be used for administrative or other costs of a regional housing authority whether the costs are directly associated with the construction or general costs of the authority. AS 18.55.998(c) and 15 AAC 154.300 and 154.320

Suggested Audit Procedure

- Test financial and related records and determine that no grant funds were expended for administrative or other general costs of the housing authority.

Compliance Requirement

All interest earned on grant funds must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project. 15 AAC 154.040 (6)

Suggested Audit Procedures

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date; and
- Verify that all interest earned on grant funds have been paid back to AHFC.

Compliance Requirement

Grants may not exceed 20 percent of the U.S. Department of Housing and Urban Development total development cost per unit in effect at the time the grant was made. AS 18.55.998(b)

Suggested Audit Procedures

- Review grant and project documents, determine the applicable total development cost per unit; and
- Verify the 20 percent limit was not exceeded.

Compliance Requirement

Grant funds may not be used to retire or repay obligations or debts of the grant recipients. AS 18.55.988(b)

Suggested Audit Procedure

- Review financial and related records and verify no grant monies were used to repay or retire debts or obligations of the housing authority.

B. ELIGIBILITY

The auditor is not expected to verify eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

There are no matching, level of effort, nor earmarking requirements which the grant recipient is required to make.

D. REPORTING REQUIREMENT

Compliance Requirement

The grant recipient is to provide the department regular, periodic reports of the disposition of the grant money. 15 AAC 154.040 (4)

Suggested Audit Procedures

- Review the grant agreement and determine the reporting requirements;
- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

There are no special compliance requirements.

Suggested Audit Procedures

There are no special suggested audit procedures.

Modified 5/97

Weatherization Assistance for Low Income Persons Alaska Housing Finance Corporation – Program 4

I. PROGRAM OBJECTIVES

The objective of the weatherization assistance for low income persons program is to conserve energy and reduce the impact of rising energy costs on low income persons, particularly the elderly and the disabled and families with children under 6 years of age, through the installation of energy conserving measures in their dwellings.

The program includes federal pass through and state monies and the audit should be in accordance with state and federal audit requirements.

II. PROGRAM PROCEDURES

The weatherization program is implemented through annually awarded grants at the local level.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

Auditors should be advised that the provisions below only relate to activity funded with state monies. Federal requirements are guided by CFDA Number 81.042.

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirements

The Department maintains, and auditors are requested to review, amounts (regionalized by community) that can be expended per dwelling unit for the below-listed weatherization materials. The materials must meet the U.S. Department of Energy's standards for quality and installation techniques, as cited in the Federal Register on February 27, 1980 as amended on January 4, 1985 **and updated on April 1, 2001**. Eligible materials include:

- 1) Caulking and weather stripping of doors and windows;
- 2) Furnace efficiency modifications including:
 - (a) Replacement burners designed to substantially increase energy efficiency of the heating system;
 - (b) Devices for minimizing energy loss through heating system, chimney or venting system; and
 - (c) Electrical or mechanical furnace ignition systems which replace standing gas pilot lights.
- 3) Programmable thermostats;

- 4) Ceiling, attic, wall, floor, and duct insulation;
 - 5) Water heater insulation;
 - 6) Storm windows and doors, multi glazed windows and doors, heat-absorbing or heat-reflective window and door materials; and
 - 7) The following insulation or energy conserving devices or technologies:
 - (a) skirting,
 - (b) items to improve ventilation,
 - (c) vapor barriers,
 - (d) materials used as a patch to reduce infiltration through the building envelope,
 - (e) water flow controllers,
 - (f) movable insulation systems for windows,
 - (g) materials to construct vestibules,
 - (h) pipe and boiler insulation,
 - (i) heat exchanger,
 - (j) thermostat control systems,
 - (k) replacement windows and doors,
 - (l) materials used for water heater modifications which will result in improved energy efficiency,
 - (m) hot water heat pumps,
 - (n) waste heat recovery devices,
 - (o) materials used for heating and cooling system repairs and modifications which will result in improved energy efficiency,
 - (p) materials used for boiler repair and modifications which will result in improved energy efficiency,
 - (q) repairs or replacement of refrigerators, water heaters, lighting equipment and other electrical efficiency equipment, and
 - (r) other items approved by the Department (Check with departmental staff for additional items).
- 10 CFR 440.16, 15 AAC 155.470

Funds cannot be expended for:

- (1) Dwelling units and residential buildings that have been weatherized under U.S. Department of Energy low income weatherization programs after September 30, 1993[;].
- (2) Dwelling units and residential buildings which are to be destroyed, abandoned, or converted to another purpose within 12 months; and
- (3) Dwelling units and residential buildings that are not used as year-round permanent residences.

10 CFR 440.16(c) and 15 AAC 155.440

Suggested Audit Procedures

- Test financial and related records and determine the purposes for which the funds were expended.

Compliance Requirement

Program support costs must be in accordance with the applicable percentages identified in the regulations and specified in the grant agreement.

Suggested Audit Procedures

- Test financial and related records determine the purposes for which funds were expended; and
- Verify that the cost of materials and program support were the applicable percentages of the total expenditures; and that the per unit limit, in accordance with the appropriate state or federal regulation, was not exceeded.

Compliance Requirement

Administrative costs may not exceed 15 percent of the program money expended under a grant or the granted percentage, whichever is less. 15 AAC 155.450

Suggested Audit Procedures

- Test financial and related records to determine the purposes for which funds were expended; and
- Verify that administrative costs did not exceed the appropriate percent of the total program funds expended appropriately under the grant.

Compliance Requirement

All interest earned on grant money must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project. 15 AAC 154.040 (6)

Suggested Audit Procedure

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date and verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY

Compliance Requirements

Only dwellings occupied by households with a combined income at or below 60 percent of annual median income for the state as specified under the Low Income Home Energy Assistance program and regionalized within Alaska. This criteria is updated annually. 15 AAC 155.430

Priority must be given to eligible applicants who are handicapped, elderly, families with children under 6 years of age, and most in need.
10 CFR 440.15(a)(2), 440.20 and 15 AAC 155.430

Suggested Audit Procedures

- Review the procedures for ascertaining eligibility and selecting participants and evaluate for adequacy.
- Review selected files and determine whether applicants have been selected in accordance with the prescribed procedures.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

There are no matching or level of effort requirements.

D. REPORTING REQUIREMENTS

Compliance Requirement

Grantees must submit monthly progress reports containing financial, labor, and program data. Reports are to be in a form specified in the grant agreement.

Suggested Audit Procedures

- Obtain copies of submitted reports and assess for completeness of submission; and
- Trace data in selected reports to supporting documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirements

- 1) The grant agreement will specify any special requirement to which the grantee must adhere.
- 2) The Alaska Attorney General determined in 1986 that the Little Davis Bacon Act did not apply to the Weatherization Assistance Program. A copy of that opinion is available for inspection with each subgrantee, and with program staff at the Alaska Housing Finance Corporation.

Suggested Audit Procedures

- Review grant agreement, identify any special requirements; and
- Verify the requirements were met.

The auditor is not expected to test for compliance with the Little Davis Bacon Act.

Modified 5/02

Grants Match Program

Alaska Housing Finance Corporation – Program 5

I. PROGRAM OBJECTIVES

This program awards grants to organizations to meet match requirements of federal, state or private foundation grant programs which provide affordable housing or supportive services for homeless, special needs, or other persons who are unable to achieve self-sufficiency.

II. PROGRAM PROCEDURES

Under the program, grants are made to municipalities or to public or private 501(c)(3) or (4) nonprofit corporations. Prior to execution of a grant agreement between AHFC and the grantee, the grantee must produce evidence of an award from the "primary" grantor such as the federal government.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Grants made under this program are for activities cited as eligible in the primary Grant Notice of Fund Availability (NOFA) and/or governing regulations. The grant agreement scope of services will further specify the types of activities and services allowable under the grant. 15 AAC 154.010 - 154.080

Suggested Audit Procedures

- Review the grant agreement, identify the services and activities to be provided; and
- Test financial and related records to determine if the funds expended were used for the purpose for which funds were awarded.

Compliance Requirement

All interest earned on grant money must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project. 15 AAC 154.040 (6)

Suggested Audit Procedure

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date and

verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY

Compliance Requirement

In some cases, the grant scope of services specifies supportive services to eligible clients. Client eligibility may be specified by the primary grant program, and, or the client's own policies and procedures.

Suggested Audit Procedures

- The auditor should verify client eligibility for receipt of services based on the requirements of the grant agreement and the primary grant program, and, or the client's own policies and procedures.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

Grants are provided on the basis of meeting the conditions of a primary grant program. Grants provided by AHFC should not exceed 100% of the primary grantor funding.

Suggested Audit Procedures

- Review the grant agreement to identify any other sources of funds to be committed to the project;
- Review financial and project records to determine the source of funds; and
- Verify the amount of other funds applied to the project.

D. REPORTING REQUIREMENTS

Compliance Requirements

The grant agreements are to include a provision for regular, periodic reporting to AHFC on grant sponsored activities. 15 AAC 154.040

AHFC also requires the grantee to submit copies of any reports required by the primary grantor.

Suggested Audit Procedures

- Review the grant agreements and determine the reporting requirements;
- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The grant agreement will identify any special compliance requirements, as outlined in the attachments; the grantee is to adhere to.

Suggested Audit Procedures

- Review the grant agreement, identify any special compliance provisions; and
- Verify that requirements were met.

Modified 5/00

Home Program – Rental Development Alaska Housing Finance Corporation – Program 6

I. PROGRAM OBJECTIVES

This program awards grants or loans for the acquisition, development or rehabilitation of rental and owner occupied housing for lower income individuals or families.

II. PROGRAM PROCEDURES

Under the program, grants and loans are made to individuals, for profit entities, municipalities, or public or private 501(c)(3) or (4) nonprofit corporations.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES Federal requirements are guided by CFDA Number 14.239.

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Grants and loans made under this program are for the development or acquisition of rental **or homeowner** housing, acquisition assistance for homebuyers, [or] rehabilitation of owner occupied housing, **or operating expense assistance for Community Housing Development**

Organizations. Development includes:

- Purchase of suitable building sites;
- Necessary site preparation;
- Preparation of plans and specifications;
- Financing the purchase of materials and actual construction;
- Financing the acquisition, rehabilitation, improvement, or conversion of existing structures;
- Financing development costs and fees, including an acceptable developer fee.

15 AAC 154.100 - 154.110

Suggested Audit Procedures

- Test financial and related records to determine the purposes for which the funds were expended.

Compliance Requirement

All interest earned on grant money must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project. 15 AAC 154.040 (6)

Suggested Audit Procedure

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date and verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY

The auditor is not expected to verify eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

AHFC funds are provided as a match to the U.S. Department of Housing and Urban Development HOME grant passed through AHFC. Grant recipients typically include other sources of funds when applying for the grants. The grant agreement budgets will typically include the amounts and sources of other funds.

Suggested Audit Procedures

- Review the grant agreement to identify any other sources of funds to be committed to the project;
- Review financial and project records to determine the source of funds; and
- Verify the amount of other funds applied to the project are in accordance with the budgets.

D. REPORTING REQUIREMENTS

Compliance Requirement

The grant agreements are to include a provision for regular, periodic reporting on grant sponsored activities. 15 AAC 154.040

Suggested Audit Procedures

- Review the grant agreement and determine the reporting requirements;
- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The grant agreement, **including any attachments, exhibits or amendments**, will identify any special compliance requirements[, as outlined in the attachments;] **to which** the grantee is to adhere to.

Suggested Audit Procedures

- Review the grant agreement, identify any special compliance provisions; and
- Verify that requirements were met.

Modified 5/02

Homeless Assistance Program Alaska Housing Finance Corporation – Program 7

I. PROGRAM OBJECTIVES

This program awards grants aimed toward the reduction of homelessness, through the provision of shelter, transitional housing and/or related supportive services.

II. PROGRAM PROCEDURES

Under the program, grants are made to municipalities or to public or private 501(c)(3) or (4) nonprofit corporations.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Grants made under this program are for the development or acquisition of emergency shelter or transitional housing facilities; costs to operate emergency or transitional housing facilities; and/or services to prevent homelessness such as rent and utility arrearage assistance or emergency food and household furnishings. 15 AAC 154.400 - 154.450

Development includes:

- 1) purchase of suitable building sites;
- 2) necessary site preparation;
- 3) preparation of plans and specifications;
- 4) financing the purchase of materials and actual construction; and
- 5) financing the rehabilitation, improvement, or conversion of existing structures. 15 AAC 154.100 - 154.110

Suggested Audit Procedures

- Test financial and related records to determine the purposes for which the funds were expended.

Compliance Requirement

All interest earned on grant money must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project.
15 AAC 154.040 (6)

Suggested Audit Procedure

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date and verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY

Compliance Requirement

Homeless clients must meet specific eligibility requirements as specified in the grantee's client eligibility procedures

Suggested Audit Procedures

- The auditor should verify client eligibility for receipt of services based on the information developed by the grantee and submitted as required by the grant agreement.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

Although not specifically required by statute or regulation, grant recipients typically include other sources of funds when applying for the grants. The grant agreement budgets will typically include the amounts and sources of other funds.

Suggested Audit Procedures

- Review the grant agreement to identify any other sources of funds to be committed to the project;
- Review financial and project records to determine the source of funds; and
- Verify the amount of other funds applied to the project.

D. REPORTING REQUIREMENTS

Compliance Requirement

The grant agreements are to include a provision for regular, periodic reporting on grant sponsored activities. 15 AAC 154.040

Suggested Audit Procedures

- Review the grant agreement and determine the reporting requirements;
- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

Grantees should submit a final report summarizing client demographic information, the numbers served and types of services provided.

Suggested Audit Procedure

- Examine copies of reports and worksheets and determine completeness and timeliness of submission in accordance with the grant agreement.

Modified 5/00

Drug Elimination Program

Alaska Housing Finance Corporation – Program 8

I. PROGRAM OBJECTIVES

- A. HUD awards grants to housing authorities, under the FY 1998, FY 1999 FY 2000, and FY 2001 Public Housing Drug Elimination Program (PHDEP), for the prevention of substance abuse and related crime in public housing developments.
- B. Resources are focused directly upon AHFC public housing [residents] youth and families; programs are preferably in and around public housing premises.

II. PROGRAM PROCEDURES

- A. PHDEP grant program procedures and requirements are established in the 24 CFR 761.
- B. Public Housing Authorities may award grants to government agencies, municipalities, public or private non-profit (501 c, 3 or 4) corporations or for-profit corporations experienced in providing similar services.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES

Federal requirements are guided by CFDA Number 14.854.

A. TYPES OF SERVICES ALLOWED

Compliance Requirements

Physical improvements to enhance security and programs that reduce/eliminate the use of drugs

- a. Physical improvements to enhance security
- b. Prevention services
 - Education, training and employment opportunities for residents and young residents in public housing, which are to include workshops or training programs on the causes and effects of substance abuse.
 - Family and other support services may include child care; employment training; computers skills training; remedial education; literacy training; substance abuse counseling; assistance in the attainment of certification of high school equivalency; and other services to reduce drug-related crime.
 - Adult and youth services to include youth groups coordinated by adults with the active participation of resident youth in leadership, skills training, cultural and recreational activities. To include playground improvements.

- Economic and educational opportunities for resident adult and youth to provide the opportunity for interaction with, or referral to, established higher education or vocational institutions with the goal of developing or building on the residents' skills to pursue educational, vocational and economic goals.
- c. Transportation services (through the leasing of vehicles) for adult and youth residents for education, job training, off-site treatment, and other programs directly related to reducing drugs and drug-related crime.
- d. Intervention Services
 - Substance abuse/dependency treatments implementing sobriety maintenance, substance-free maintenance support groups, substance abuse counseling, referral treatment services and short or long range structured aftercare.
- e. On-call and drive-by security coverage in and around public housing sites.
- f. 15 AAC 154.700-154.715, 154.730, 154.740

Suggested Audit Procedure

- Test financial and related records to determine the purposes for which the funds were expended.

Compliance Requirement

All interest earned on grant money must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project. 15 AAC 154.725

Suggested Audit Procedures

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date; and
- Verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY

The auditor is not expected to verify eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

Although not specifically required by statute or regulation, grant recipients typically include other sources of funds when applying for the grants. The grant agreement budgets will typically include the amounts and sources of other funds. 15 ACC 154-740 (c)

Suggested Audit Procedures

- Review the grant agreement to identify any other sources of funds to be committed to the project;
- Review financial and project records to determine the source of funds; and
- Verify the amount of other funds applied to the project is in accordance with the budgets.

D. REPORTING REQUIREMENTS

Compliance Requirement

The grant agreements are to include a provision for regular, periodic reporting on grant sponsored activities. 15 ACC 154.735

Suggested Audit Procedures

- Review the grant agreement and determine the reporting requirements;
- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The grant agreement will identify any special compliance requirements, as outlined in the grant agreement and/or attachments, to which the grantee is to adhere.

Suggested Audit Procedure

- Review the grant agreement, identify any special compliance provisions and verify that requirements were met.

Modified 5/02

Resident Opportunities and Self Sufficiency (ROSS) Program Alaska Housing Finance Corporation – Program 9

I. PROGRAM OBJECTIVES

HUD awards grants to housing authorities under ROSS. The purpose of the Public Housing Resident Opportunities and Self Sufficiency (ROSS) Program is to link services to public housing residents by providing grants for supportive services, resident empowerment activities and activities to assist residents in becoming economically self sufficient. The Department's goal is to most effectively focus resources on independent living for elderly and persons with disabilities.

II. PROGRAM PROCEDURES

- A. SuperNOFA for Resident Opportunities and Self Sufficiency (ROSS) Program FR-4630-N-01.
- B. Under the program, grants are made to municipalities or to public or private 501(c)(3) or (4) nonprofit corporations.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES Federal requirements are guided by CFDA Number 14.870.

A. TYPES OF SERVICES ALLOWED OR UNALLOWED Compliance Requirements

- a. Resident Service Delivery Models (RSDM) – Elderly and Persons with Disabilities.
Housekeeping Services:
 - 1. Activities may include, but are not limited to:
Housekeeping aid
 - 2. Ineligible Activities:
Elderly Service Coordinator salary funding;
Payment of wages and/or salaries to participants receiving supportive services and/or training programs;
Purchase or rental of land;
New construction, materials, costs;
Purchase of vehicles; and
Cost of application preparation
- b. Service Coordinators for Elderly and Persons with Disabilities [(Service Coordination)]
Service Coordination:
 - 1. Funds may be used for the following activities:
Service Coordinator to pay for the salary, fringe benefits, and related administrative costs.

Administrative costs may include but not limited to, purchase of furniture, office equipment and supplies, training, quality assurance, travel, and utilities. Administrative cost must not exceed 20% of the total grant costs.

2. Ineligible Activities/Costs:

Applicants may not use these monies to replace current funding from other sources for a Service Coordinator or for some other staff person who performs service coordinator functions.

Cost of application preparation.

c. 15 AAC 154.700-154.835

d. 2 AAC 45.101

Suggested Audit Procedures

- Test financial and related records to determine the purpose for which the funds were expended.

Compliance Requirement

All interest earned on grant money must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project. 15 AAC 154.040 (6).

Suggested Audit Procedures

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date; and
- Verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY

The auditor is not expected to verify eligibility.

C. MATCHING, LEVEL OF EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

ROSS Grant Match; at least 25% of the grant. This match does not have to be a cash match. The match can be in-kind and/or cash contributions.

Although not specifically required by statute or regulation, **sub-grantee** [grant] recipients typically include **an in-kind contribution** [other sources of funds] when applying for the grants. The grant agreement budget will typically include the amounts and sources of other funds.

Suggested Audit Procedures

- Review the grant agreement to identify any other sources of funds to be committed to the project;
- Review financial and project records to determine the source of funds; and
- Verify the amount of other funds applied to the project is in accordance with the budgets.

D. REPORTING REQUIREMENTS

Compliance Requirement

The grant agreements are to include a provision for regular, periodic reporting on grant sponsored activities.

15 AAC 154.735-154.740

Suggested Audit Procedures

- Review the grant agreement and determine the reporting requirements;
- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The grant agreement will identify any special compliance requirements, as outlined in the grant agreement and/or attachments, to which the grantee is to adhere.

Suggested Audit Procedure

- Review the grant agreement, identify any special compliance provisions and verify that requirements were met.

Modified 5/02

Housing Opportunities for Persons with AIDS (HOPWA) Program Alaska Housing Finance Corporation – Program 10

I. PROGRAM OBJECTIVES

This federal “pass-through” program awards grants to sponsor organizations to provide affordable housing assistance and/or supportive services for low-income persons with HIV/AIDS.

II. PROGRAM PROCEDURES

Under the program, grants are made to 501(c)(3) nonprofit corporations. Grantees must comply with the program regulations cited in 24 CFR Part 574.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES Federal requirements are guided by CFDA Number 14.241.

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Grants made under this program are for activities cited as eligible in the HUD Notice of Funding Availability (NOFA). The grant agreement scope of services will further specify the types of activities and services allowable under the grant. 15 AAC 154.010 - 154.080

Suggested Audit Procedures

- Review the grant agreement, identify the services and activities to be provided; and
- Test financial and related records to determine if the funds expended were used for the purpose for which funds were awarded.

Compliance Requirement

All interest earned on grant money must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project. 15 AAC 154.040 (6)

Suggested Audit Procedure

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date and verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY

Compliance Requirement

Client eligibility is specified by HUD regulation governing this program. The two primary eligibility factors are diagnosis of HIV/AIDS and low-income status.

Suggested Audit Procedure

- The auditor should verify client eligibility for receipt of services based on the requirements of the grant agreement and the Federal regulations.

C. REPORTING REQUIREMENTS

Compliance Requirement

The grant agreements are to include a provision for regular, periodic reporting to AHFC on grant sponsored activities. 15 AAC 154.040

Suggested Audit Procedures

- Review the grant agreements and determine the reporting requirements;
- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- Trace data in selected reports to underlying documentation.

D. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The grant agreement will identify any special compliance requirements, as outlined in the attachments, the grantee is to adhere to.

Suggested Audit Procedures

- Review the grant agreement, identify any special compliance provisions; and
- Verify that requirements were met.

Modified 5/02

Shelter+Care Program

Alaska Housing Finance Corporation – Program 11

I. PROGRAM OBJECTIVES

This federal “pass-through” program awards grants to sponsor organizations to provide affordable rental assistance to homeless persons with disabilities.

II. PROGRAM PROCEDURES

Under the program, grants are made to 501(c)(3) nonprofit corporations. Grantees must comply with the program regulations cited in 24 CFR Part 582.

III. COMPLIANCE REQUIREMENTS AND SUGGESTED AUDIT PROCEDURES **Federal requirements are guided by CFDA Number 14.238.**

A. TYPES OF SERVICES ALLOWED OR UNALLOWED

Compliance Requirement

Grants made under this program are for activities cited as eligible in the HUD Notice of Funding Availability (NOFA). The grant agreement scope of services will further specify the types of activities and services allowable under the grant. 15 AAC 154.010 - 154.080

Suggested Audit Procedures

- Review the grant agreement, identify the services and activities to be provided; and
- Test financial and related records to determine if the funds expended were used for the purpose for which funds were awarded.

Compliance Requirement

All interest earned on grant money must be returned to Alaska Housing Finance Corporation (AHFC) upon completion of the project. 15 AAC 154.040 (6)

Suggested Audit Procedure

- Review financial and related records, and if appropriate, any previous audit reports, to determine interest accrued on grant funds to date and verify that all interest earned on grant funds have been paid back to AHFC.

B. ELIGIBILITY

Compliance Requirement

Client eligibility is specified by HUD regulation governing this program. The two primary eligibility factors are verification of homelessness (per HUD definition) and disability.

Suggested Audit Procedure

- The auditor should verify client eligibility for receipt of services based on the requirements of the grant agreement and the federal regulations.

C. MATCHING, LEVEL EFFORT, AND/OR EARMARKING REQUIREMENTS

Compliance Requirement

By federal regulation, grantees must demonstrate at the end of the performance period that the amount of rental assistance was matched with supportive services of equal value

Suggested Audit Procedures

- Review the grant agreement to identify any other resources committed to the project;
- Review financial and project records to determine the grantee's tracking system for sources of match; and
- Verify the amount of other funds applied to the project.

D. REPORTING REQUIREMENTS

Compliance Requirement

The grant agreements are to include a provision for regular, periodic reporting to AHFC on grant sponsored activities. 15 AAC 154.040

Suggested Audit Procedures

- Review the grant agreements and determine the reporting requirements;
- Examine copies of reports and determine completeness and timeliness of submission in accordance with the grant agreement; and
- Trace data in selected reports to underlying documentation.

E. SPECIAL TESTS AND PROVISIONS

Compliance Requirement

The grant agreement will identify any special compliance requirements, as outlined in the attachments, the grantee is to adhere to.

Suggested Audit Procedures

- Review the grant agreement, identify any special compliance provisions; and
- Verify that requirements were met.

Modified 5/02